

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

**Obj. Deadline: February 27, 2023 at 4:00 p.m. ET**

**FIRST MONTHLY FEE STATEMENT OF ALVAREZ & MARSAL NORTH  
AMERICA, LLC AS FINANCIAL ADVISORS TO THE  
DEBTORS AND DEBTORS-IN-POSSESSION FOR  
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD  
FROM NOVEMBER 11, 2022 THROUGH AND INCLUDING NOVEMBER 30, 2022**

<b>Name of Applicant</b>	<b>Alvarez &amp; Marsal North America, LLC</b>
Authorized to Provide Professional Services to:	Debtors and Debtors-in-Possession
Date of Retention:	January 19, 2023 <i>nunc pro tunc</i> to November 11, 2022
Period for which compensation and reimbursement is sought:	November 11, 2022 through November 30, 2022
Amount of Compensation sought as actual, reasonable and necessary:	\$6,278,871.00
80% of Compensation sought as actual, reasonable and necessary:	\$5,023,096.80
Amount of Expense Reimbursement sought as actual, reasonable, and necessary:	\$180,774.72

This is a(n) **X** monthly \_\_\_\_ interim \_\_\_\_ final application. No prior application has been filed with respect to this Fee Period.

<sup>1</sup> The last four digits of FTX Trading Ltd.'s and Alameda Research LLC's tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

**PRIOR MONTHLY FEE STATEMENTS FILED**

<b>Date Filed</b>	<b>Period Covered</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expenses</b>
n/a	n/a	n/a	n/a	n/a	n/a

**SUMMARY OF BILLING BY PROFESSIONAL**  
**NOVEMBER 11, 2022 THROUGH AND INCLUDING NOVEMBER 30, 2022**

<b>Timekeeper Name</b>	<b>Position</b>	<b>Hourly Rate</b>	<b>Total Hours Billed</b>	<b>Total Compensation</b>
Stegenga, Jeffery	Managing Director	\$1,375	33.9	\$46,612.50
Cumberland, Brian	Managing Director	\$1,320	7.5	\$9,900.00
Coles, David	Managing Director	\$1,300	128.2	\$166,660.00
Mosley, Ed	Managing Director	\$1,250	249.0	\$311,250.00
Howe, Christopher	Managing Director	\$1,200	131.3	\$157,560.00
Kotarba, Steve	Managing Director	\$1,100	205.5	\$226,050.00
Kotarba, Chris	Managing Director	\$1,100	64.6	\$71,060.00
Jacobs, Kevin	Managing Director	\$1,100	43.0	\$47,300.00
Grillo, Rocco	Managing Director	\$1,100	22.0	\$24,200.00
Lubczyk, Joachim	Managing Director	\$1,100	21.8	\$23,980.00
Farsaci, Alessandro	Managing Director	\$1,100	21.6	\$23,760.00
Iwanski, Larry	Managing Director	\$1,075	124.4	\$133,730.00
Marshall, Jonathan	Managing Director	\$1,075	1.1	\$1,182.50
Arnett, Chris	Managing Director	\$1,050	217.4	\$228,270.00
Atwood, Taylor	Managing Director	\$1,025	219.7	\$225,192.50
Gordon, Robert	Managing Director	\$1,025	176.0	\$180,400.00
Grosvenor, Robert	Managing Director	\$1,000	2.0	\$2,000.00
Chambers, Henry	Managing Director	\$995	66.5	\$66,167.50
Lawson, Alex	Managing Director	\$875	55.6	\$48,650.00
<b>Managing Director Total</b>			<b>1,791.1</b>	<b>\$1,993,925.00</b>
Seaway, Bill	Senior Advisor	\$1,100	58.8	\$64,680.00
<b>Senior Advisor Total</b>			<b>58.8</b>	<b>\$64,680.00</b>
Kritzman, Alon	Senior Director	\$1,050	12.7	\$13,335.00
Casburn, Rob	Senior Director	\$1,045	33.0	\$34,485.00
Zimet, Lee	Senior Director	\$1,045	2.9	\$3,030.50
Ramanathan, Kumanan	Senior Director	\$950	290.8	\$276,260.00
Coverick, Steve	Senior Director	\$950	288.8	\$274,360.00
Ulyanenko, Andrey	Senior Director	\$950	182.9	\$173,755.00
Piechota, Robert	Senior Director	\$950	17.3	\$16,435.00
Tarikere, Sriram	Senior Director	\$925	27.0	\$24,975.00
Pandey, Vishal	Senior Director	\$925	3.0	\$2,775.00
Konig, Louis	Senior Director	\$900	162.6	\$146,340.00
Sequeira, Joseph	Senior Director	\$900	158.7	\$142,830.00
Kwan, Peter	Senior Director	\$900	157.0	\$141,300.00

Timekeeper Name	Position	Hourly Rate	Total Hours Billed	Total Compensation
Broskay, Cole	Senior Director	\$900	141.0	\$126,900.00
Johnson, Robert	Senior Director	\$900	39.7	\$35,730.00
Dudek, Kert	Senior Director	\$900	4.6	\$4,140.00
Cooper, James	Senior Director	\$875	229.7	\$200,987.50
Esposito, Rob	Senior Director	\$875	191.8	\$167,825.00
Theron, Sean	Senior Director	\$750	2.0	\$1,500.00
<b>Senior Director Total</b>			<b>1,945.5</b>	<b>\$1,786,963.00</b>
Kearney, Kevin	Director	\$800	150.9	\$120,720.00
Glustein, Steven	Director	\$800	119.0	\$95,200.00
Lewandowski, Douglas	Director	\$800	36.4	\$29,120.00
Balmelli, Gioele	Director	\$800	23.5	\$18,800.00
Wilcke, Robert	Director	\$800	18.5	\$14,800.00
Lambert, Leslie	Director	\$750	87.3	\$65,475.00
Manning, Jennifer	Director	\$750	4.0	\$3,000.00
Dennison, Kim	Director	\$650	71.1	\$46,215.00
<b>Director Total</b>			<b>510.7</b>	<b>\$393,330.00</b>
Su, Warren	Manager	\$700	63.6	\$44,520.00
Hernandez, Dylan	Manager	\$660	29.3	\$19,338.00
Sivapalu, Anan	Manager	\$625	99.5	\$62,187.50
Brilliant, David	Manager	\$550	9.0	\$4,950.00
Kumar, Raman	Manager	\$500	7.3	\$3,650.00
<b>Manager Total</b>			<b>208.7</b>	<b>\$134,645.50</b>
Deters, Timothy	Senior Associate	\$725	64.1	\$46,472.50
DiNatale, Trevor	Senior Associate	\$700	171.4	\$119,980.00
Zeiss, Mark	Senior Associate	\$700	164.0	\$114,800.00
Montague, Katie	Senior Associate	\$700	62.3	\$43,610.00
Work, David	Senior Associate	\$650	13.0	\$8,450.00
Jackson, Max	Senior Associate	\$500	67.2	\$33,600.00
<b>Senior Associate Total</b>			<b>542.0</b>	<b>\$366,912.50</b>
Trent, Hudson	Associate	\$625	300.9	\$188,062.50
Gonzalez, Johnny	Associate	\$600	280.6	\$168,360.00
Francis, Luke	Associate	\$600	234.7	\$140,820.00
Witherspoon, Samuel	Associate	\$575	235.2	\$135,240.00
Sigman, Claudia	Associate	\$550	195.9	\$107,745.00
Parker, Brandon	Associate	\$550	104.7	\$57,585.00
Lei, Katie	Associate	\$550	31.5	\$17,325.00
Chan, Jon	Associate	\$525	12.4	\$6,510.00
Sunkara, Manasa	Associate	\$525	2.1	\$1,102.50
Connolly, David	Associate	\$400	65.5	\$26,200.00
<b>Associate Total</b>			<b>1,463.5</b>	<b>\$848,950.00</b>
Jones, Mackenzie	Consultant	\$600	167.2	\$100,320.00
<b>Consultant Total</b>			<b>167.2</b>	<b>\$100,320.00</b>
Slay, David	Analyst	\$525	224.1	\$117,652.50

<b>Timekeeper Name</b>	<b>Position</b>	<b>Hourly Rate</b>	<b>Total Hours Billed</b>	<b>Total Compensation</b>
Nizhner, David	Analyst	\$500	162.6	\$81,300.00
Burns, Zach	Analyst	\$500	134.6	\$67,300.00
Simoneaux, Nicole	Analyst	\$475	186.3	\$88,492.50
Tenney, Bridger	Analyst	\$450	233.5	\$105,075.00
Liv-Feyman, Alec	Analyst	\$450	130.8	\$58,860.00
Myers, Claire	Analyst	\$425	165.8	\$70,465.00
<b>Analyst Total</b>			<b>1,237.7</b>	<b>\$589,145.00</b>
<b>GRAND TOTAL</b>			<b>7,925.2</b>	<b>\$6,278,871.00</b>

**Blended Hourly Rate: \$792.27**

**STATEMENT OF FEES BY PROJECT CATEGORY<sup>2</sup>**  
**NOVEMBER 11, 2022 THROUGH AND INCLUDING NOVEMBER 30, 2022**

<b>Project Name</b>	<b>Hours</b>	<b>Fee Amount</b>
ACCOUNTING	635.5	\$488,438.00
ASSET SALES	13.7	\$11,437.50
COURT HEARINGS	5.6	\$6,335.00
BUSINESS OPERATIONS	2,381.7	\$1,940,634.50
CASE ADMINISTRATION	209.5	\$166,700.00
CASH MANAGEMENT	877.2	\$690,390.00
CLAIMS	209.7	\$161,167.50
COMMUNICATIONS	67.9	\$53,895.00
CONTRACTS	184.6	\$130,152.50
COURT AND UST REPORTING	18.2	\$15,256.00
DUE DILIGENCE	69.3	\$49,307.50
EMPLOYEE MATTERS	287.8	\$211,503.00
FINANCIAL ANALYSIS	574.3	\$464,350.50
INTERCOMPANY	56.1	\$37,885.00
MOTIONS AND RELATED SUPPORT	1,269.4	\$939,258.00
SCHEDULES AND STATEMENTS	147.7	\$96,320.00
TAX INITIATIVES	621.2	\$592,093.50
NON-WORKING TRAVEL (BILLED AT 50%)	122.2	\$101,140.00
VENDOR MANAGEMENT	173.6	\$122,607.50
<b>TOTAL</b>	<b>7,925.2</b>	<b>\$6,278,871.00</b>

<sup>2</sup> The subject matter of certain time entries may be appropriate for more than one project category. In such instances, time entries generally have been included in the most appropriate category. Time entries do not appear in more than one category.

**SUMMARY OF ACTUAL AND NECESSARY EXPENSES**

<b>Expense Summary</b>	
<b>Expense Category</b>	<b>Amount</b>
Lodging <sup>3</sup>	\$114,184.83
Airfare	\$32,817.42
Transportation	\$19,912.92
Meals	\$12,324.88
Miscellaneous	\$1,534.67
<b>TOTAL</b>	<b>\$180,774.72</b>

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<sup>3</sup> The extraordinary circumstances surrounding the Debtors' chapter 11 filing necessitated that A&M mobilize a large number of personnel to New York City on extremely short notice during the holiday season when hotel availability was limited and rates were higher than normal. While all reasonable efforts were made to minimize costs, these conditions resulted in A&M personnel staying at a number of different hotels at various price points during the initial weeks of the case.

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Debtors.

Chapter 11

Case No. 22-11068 (JTD)

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**FIRST MONTHLY FEE STATEMENT OF ALVAREZ & MARSAL NORTH  
AMERICA, LLC AS FINANCIAL ADVISORS TO THE  
DEBTORS AND DEBTORS-IN-POSSESSION FOR  
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD  
FROM NOVEMBER 11, 2022 THROUGH AND INCLUDING NOVEMBER 30, 2022**

Alvarez & Marsal North America, LLC (“A&M”), Financial Advisors to FTX Trading Ltd. and its affiliated debtors and debtors-in-possession in the above-captioned cases (collectively, the “Debtors”), hereby submits this First monthly fee statement (this “Monthly Fee Statement”) for compensation for professional services rendered and expenses incurred for the period from November 11, 2022, through and including November 30, 2022 (the “Fee Period”).

In support of the Monthly Fee Statement, A&M respectfully states as follows:

**Background**

1. On November 11 and November 14, 2022,<sup>2</sup> the Debtors filed with the United States Bankruptcy Court for the District of Delaware (the “Court”) voluntary petitions for relief under title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (as amended or modified,

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<sup>1</sup> The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

<sup>2</sup> November 11, 2022 is the petition date for all Debtors, except for Debtor West Realm Shires Inc.

the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Joint administration of the Debtors’ cases (the “Chapter 11 Cases”) was authorized by the Court by entry of an order on November 22, 2022 [D.I. 128]. On December 15, 2022, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an Official Committee of Unsecured Creditors (the “Committee”) pursuant to section 1102 of the Bankruptcy Code [D.I. 231].

2. On January 19, 2023, the Court entered the *Order Authorizing the Retention and Employment of Alvarez & Marsal North America, LLC as Financial Advisors to the Debtors and Debtors-in-Possession Pursuant to Sections 327(a) and 328 of the Bankruptcy Code* [D.I. 534] authorizing the retention and employment of A&M as the Debtors’ financial advisors, *nunc pro tunc* to November 11, 2022.

3. On January 9, 2023, the Court entered the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, D.I. 435 (the “Interim Compensation Order”).

### **Relief Requested**

4. By this Monthly Fee Statement and in accordance with the Interim Compensation Order, A&M makes this application for (i) allowance of compensation as an administrative expense of the Debtors’ estates in the amount of \$6,278,871.00 for reasonable and necessary professional services rendered, (ii) payment of compensation in the amount of 80% thereof (in the amount of \$5,023,096.80) and (iii) payment of \$180,774.72 for actual and necessary expenses incurred.

#### **a. Compensation Requested**

5. The services performed by A&M during the Fee Period included, among



others, preparation for first day pleadings, identification of assets and collateral, accounting and financial analysis, tax-related services, and development of cash management services. The following exhibits are attached hereto for the Fee Period: (i) Exhibit A is a summary of time detail by professional; (ii) Exhibit B is a summary of time by task; (iii) Exhibit C is a summary of time records by professional by project category; and (iv) Exhibit D is a summary of time detail by activity by professional. This detailed itemization complies with Local Rule 2016-2 in that each time entry contains a separate time allotment, a description of the type of activity and the subject matter of the activity, all time is billed in increments of one-tenth (1/10) of an hour, time entries are presented chronologically in categories, and all meetings or hearings are individually identified.

6. The timekeepers who rendered services related to each category are identified in Exhibit A, Exhibit B, Exhibit C, and Exhibit D along with the number of hours for each individual and the total compensation sought by each category. All services for which A&M requests compensation were performed for, or on behalf of, the Debtors.

**b. Expense Reimbursement**

7. A&M incurred out-of-pocket expenses during the Fee Period in the amount of \$180,774.72. The following exhibits are attached hereto for the Fee Period: (i) Exhibit E is a summary of expenses by category and (ii) Exhibit F is a description of the expenses actually incurred by A&M in the performance of services rendered as Financial Advisors to the Debtors. The expenses are broken down into categories of charges, which may include, among other things, the following charges: airfare, lodging, out of town meals, transportation, and other expenses.

8. In accordance with section 330 of the Bankruptcy Code, A&M seeks

reimbursement only for the actual cost of such expenses to A&M. A&M submits that all such expenses incurred were customary, necessary and related to the Chapter 11 Cases and, by this Monthly Fee Statement, requests reimbursement of the same.

**Valuation of Services**

9. Professionals of A&M have expended a total of 7,925.2 hours in connection with this matter during the Fee Period.

10. The amount of time spent by each of the professionals providing services to the Debtors for the Fee Period is set forth in Exhibit A, Exhibit B, Exhibit C, and Exhibit D. The rates are A&M's normal hourly rates of compensation for work of this character. The reasonable value of the services rendered by A&M for the Fee Period as Financial Advisors for the Debtors in the Chapter 11 Cases is \$6,278,871.00.

11. A&M believes that the time entries included in Exhibit A, Exhibit B, Exhibit C, and Exhibit D, attached hereto and the expense breakdown set forth in Exhibits E and F attached hereto are in compliance with the requirements of Local Rule 2016-2.

12. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given the complexities of these Chapter 11 Cases, the time expended, the nature and extent of the services rendered, the value of such services, and the costs of comparable services other than in a case under this title.

**Certificate of Compliance and Waiver**

13. The undersigned representative of A&M certifies that he has reviewed the requirements of Local Rules 2016-2 and that the Monthly Fee Statement substantially complies with such rule. To the extent that the Monthly Fee Statement does not comply in all respects with the requirements of Local Rule 2016-2, A&M believes that such deviations are not material

and respectfully requests that any such requirements be waived.

**Notice and No Prior Request**

14. Notice of this Monthly Fee Statement has been given to the following parties or, in lieu of, to their counsel, if known: (a) the U.S. Trustee; (b) the Official Committee of Unsecured Creditors; and (c) all parties required to be given notice in the Interim Compensation Order. A&M submits that no other or further notice is necessary.

15. No prior request for the relief sought in this Monthly Fee Statement has been made to this or any other Court.

WHEREFORE, A&M respectfully requests that the Bankruptcy Court (i) approve the Monthly Fee Statement and (ii) grant such further relief as is just and proper.

Respectfully,

Alvarez & Marsal North America, LLC

By: Ed Mosley  
Ed Mosley  
Title: Managing Director